



DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY

801 K STREET, MS 19-01, SACRAMENTO, CALIFORNIA 95814 • (916) 322-4027 • WWW.CALRECYCLE.CA.GOV

April 12, 2011

To: All Prospective Contractors

RE: "CBCRP Disbursement Data Mining Project for Risk Assessment"

Addendum No. 1

To the Request for Proposal (RFP) Secondary Method DRR10061

1. Attached is a list of all businesses who have expressed an interest in the contract to date (Attachment 1).
2. The following questions were submitted in response to the RFP and answers to follow the question.

Regarding the statistical analysis desktop application:

Q1. Who has the responsibility for selecting the specific "off-the-shelf" statistical analysis desktop application for which CalRecycle will then purchase three licenses?

A1. CalRecycle has the responsibility for the selecting the specific "off-the-shelf" software. Cal recycle will seek the recommendation of the contractor for a specific application.

Q2. If the proposer uses a specific statistical analysis desktop application in conducting the project, is that the analysis application for which CalRecycle will purchase three licenses?

A2. Yes

Q3. Will CalRecycle pay for the contractor's license for the desktop analysis application external to the contract resulting from this solicitation?

A3. No. The contractor is responsible for supplying their own license.

Q4. Will the selected contractor be allowed remote access, via an Internet connection, to the Microsoft SQL Server database containing the source data, in order to extract and build data sets required for various tasks, including requirements development, data modeling, and statistical analysis? Will this remote access be via DORIIS SQL Server Business Views to extract data?

A4. The preferred approach will be for the contractor to work with the dataset accessible via the CalRecycle PC workstation(s), either via the network or installed locally. In addition, a copy of the database can be made available via CalRecycle-supplied USB external drive if the CalRecycle program division determines this is appropriate and necessary for work that the contractor will be performing. If neither of these options best meets the needs of the project, then remote access to the SQL Server data tables could be made available if approved by the CalRecycle program division.



Q5. Section 3.3, Deliverables, item 14, is the automated routine/executable that extracts recycling program data from the DORIIS Data Mart and loads it into a statistical application running on a PC work station. Does this mean data must reside locally on the PC? Will CalRecycle consider a solution where data sets are stored on a server (i.e., “in place”) that is accessible using the statistical analysis application running locally on the PC? This could allow for larger, and multiple, data sets being accessible, independent of the capacity of the PC’s hard drive or the capacity and speed of CalRecycle’s network.

A5. The data can be stored on the local PC or CalRecycle network. The storage capacity of the PC, any external hard drives, and the network server capacity will be fully adequate to meet the needs of this project. As is always the case, if content is stored locally on the PC, adequate provisions must be made to ensure that relevant file contents are backed up to allow for recovery in the event of an equipment failure.

Q6. Section 3.5, Contractor Responsibilities, requires the contractor obtain feedback from departmental staff members on the draft security plan. However, no mention is made elsewhere in the RFP about a security plan. Please explain whether a security plan is a project deliverable.

A6. The security plan is an outline of how the contractor will manage CalRecycle data **if** taken offsite for use in the project. This includes data that is accessed remotely and downloaded to a local PC or Network not managed by CalRecycle. The security plan will be reviewed and approved by the CalRecycle Information Technology Services Branch.

Q7. Section VII, Definition and Terms, CalRecycle Staff, uses the term “work orders.” Please confirm that this is a fixed price, not to exceed contract, not a work authorization contract?

A7. Yes. Section VII, Definition and Terms has been revised as follows:

CalRecycle Staff

Staff of the Department of Resources Recycling and Recovery involved in the implementation of this contract or representatives of Consultant to the Department of Resources Recycling and Recovery as designated in the Scope of Work and/or Work Orders.

Q8. There are fourteen deliverables for this project, and a unique date for completing each of thirteen (13) tasks in the Description of Work. Is it correct to assume that liquidated damages apply to the final dates of the data and report deliverables, and that there would be some latitude on interim dates, as long as the contractor is making reasonable progress according to the referenced schedule in the proposal?

A8. Yes

Q9. Has a budget for software been decided upon? If so, can you share that with us?

A9. No budget for software has been decided.

Q10. Will the software be purchased separately from this Services RFP? (I asked this at the meeting but to confirm again)

A10. Yes the software for use by CalRecycle Staff will be purchased separately from this Services RFP.

Q11. When exactly does the software need to be procured by?

A11. This will be determined in the Project Initiation and management Task of the project.

Q12. What process-outline will be used to purchase the software?

A12. The software will be procured via standard State procurement procedures.

Q13. Can the software be bought off of CMAS directly as the 'contract-vehicle'?

A13. As stated above in A12, software will be procured via standard State procurement mechanisms and procedures. The specific approach used may depend on the statistical analysis software selected. In any event, this will be the responsibility of CalRecycle Information Technology Services, not the contractor.

Q14. I had asked a question about whether or not the consultant can take a copy of a sampled dataset off-site for the model development and data mining tasks. Your project manager Chris Reed said that they had allowed that in the past but he would confirm with his CIO. Please let us know if the consultant will be allowed to take the data to their own offices for this project.

A14. To restate some of the responses provided above, offsite use of the dataset **may** be considered under the following circumstances: (1) CalRecycle program division determines it is in the best interests of accomplishing the objectives of the project, (2) an approved security plan for offsite use of data has been prepared and approved, (3) and the nature of the data to be taken offsite either does not contain sensitive, personal or confidential data, or appropriate steps to de-identify or disaggregate the data can be taken prior to being moved offsite.

Q15. What data will be provided from DORIIS?

Q15. Literally no data will be accessed directly from DORIIS. All the data that is available in the read-only Business Views will be available. This is 90% plus of the operational data available in the Production DORIIS environment.

Q16. How many years of historical data will be provided?

A16. Approximately 20 years of historical data is available.

Q17. Do you keep track of the percentage of false positive indicators for At Risk Transactions? If so, what are current levels?

A17. No.

Q18. What types of trends/patterns do you foresee using the data mining to analyze?

A18. It is foreseen that the data mining analysis will have a primary focus on trends/patterns associated with reported volumes.

Q19. To what degree will we be able to access data for unsupported claims?

A19. The contractor will have full access to data for unsupported claims.

Q20. How was the 105 hours estimated?

A20. The 105 is working days. This was derived by using \$175 per hour billing rate multiplied by 8 billable hours per day equals \$1,400 per day billable. Contract amount of \$150,000 divided by \$1,400 billable day equals 107 billable working days. This was rounded to 105 working days that then were distributed across the tasks listed in the statement of work.

Q21. The software will be procured separately and in parallel to this services bid?

A21. Yes.

Q22. Is the budget a firm number or are you looking for bidder to propose budget?

A22. It is a firm number. Only bids at or below the budgeted amount are acceptable.

Q23. Does CalRecycle have current statistical resources? If so, are they staff or contractors?

A23. No statistical resources have been committed by CalRecycle.

Q24. What fraud process does CalRecycle currently use?

A25. Calrecycle is currently using anomalies in volume data to identify potential candidates for Administrative review.

Q26. Section 1.3 of the RFP states: "The Department will engage a contractor having previous project experience assisting California State government departments with risk management and planning." I feel that priority is given to applicants who already have prior experience working with the government. Is there any particular reason for that?

A26. Contractors with prior experience with the State of CA performing statistical analysis related to compliance & enforcement will presumably have benefitted from the experience and understanding of the constraints related to developing analytical tools to detect possible fraud in State government programs. Ultimately, selection of the contractor will be based on the overall assessment of their response to the RFP.

All other terms, conditions, and requirements of this RFP will remain the same.

If you have any questions relating to this RFP process, please contact me by e-mail at contracts@calrecycle.ca.gov.

Sincerely,

{Original Signed By}

Wendy Roberson
Contract Analyst

Attachment

CalRecycle has not confirmed the certification status of firms who have identified themselves as CA Certified Small Business (SB) or Disabled Veterans Business Enterprise (DVBE).

Contact (First & Last Name)	Email	Company	Mailing Address	SB	DVBE
Lavanya Srikantapuram	lav.raj@gmail.com	RIAEX Inc	1292 S. Bernardo Ave, Sunnyvale, CA 94087		
Stephen Maloney	stephen.maloney@sas.com	SAS	5630 Monte Claire Lane, Loomis, CA	X	X
Rajkumar Thirumalainambi	raikumar@mail.riaex.com	RIAEX, Inc.	1292 S. Bernado Avenue, Sunnyvale, CA	x	
Ruth Dusan	rdusan@mail.riaex.com	RIAEX, Inc.	1292 S. Bernado Avenue, Sunnyvale, CA		
Michael L. Zurovski	mzurovski@hayniecpa.com	Haynie & Company CPAs	4910 Campus Drive, Newport Beach, CA		
Joanne Reif	joanne.reif@hdrinc.com	HDR, Inc.	8403 Colesville Road, Ste 910, Silver Spring, MD		
May Road	may.road@hdrinc.com	HDR, Inc.	1545 Carling Ave, Ste. 410, Ottawa, Ontario		
Kathy Tinios-Rose	Kathy@CollaborativeTestingSolutions.com	Collaborative Testing Solutions			